Equal Benefits Frequently Asked Questions

The following information answers some of the frequently asked questions in meeting contract requirements to comply with Equal Benefits Ordinance 14823. Please check this page frequently, as these questions & answers will be updated.

If you cannot find the answers to your questions here, please email the *Webmaster* or contact Procurement and Contract Services at 206-684-1681 or 206-684-1327.

What is the Equal Benefits Ordinance and what does it require?

The law requires that when the County contracts for consultant services, or purchases goods and services, the businesses receiving contracts do not discriminate in the provision of benefits between employees with spouses and employees with domestic partners. If a business is not contracting with King County, the law does not apply to that business.

What is a Domestic Partner?

Domestic Partner means any person who is in a same-sex or opposite-sex domestic partnership as defined in K.C.C. 3.12.010. Defined as: (1) Having a close personal relationship; (2) Are each other's sole domestic partner and are responsible for each other's common welfare; (3) Share the same regular and permanent residence; (4) Are jointly responsible for basic living expenses: the cost of basic food, shelter and any other expenses of a domestic partner which are paid at least in part by a program or benefit for equally or jointly to the cost of these expenses as long as they agree that both are responsible for the cost; (5) Are not married to anyone; (6) Are each eighteen years of age or older; (7) Are not related by blood closer than would bar marriage in the state of Washington; (8) Were mentally competent to consent to contract when the domestic partnership began.

What benefits does this law cover?

The law applies to all benefits, both indirect and directly offered to an employee's spouse. The law requires parity – meaning an equivalent benefit package is offered to employees with domestic partners. Employee benefits may include: health, dental, and vision care, life insurance, pension or retirement, bereavement & family leave; and other benefits given to employees.

What types of King County contracts are subject to the Ordinance?

Any contract to perform services, including public works, professional and technical services and other services, or to provide tangible personal property, as defined in King County Code 4.16.010, that entails a legally binding obligation of Twenty-Five Thousand Dollars (\$25,000.00) or more, or such other threshold dollar amount as the King County Council may enact in the future. Contract threshold is the aggregate estimated cost with all options for contract extension and for the life of the contract.

When did Equal Benefit contract requirements go into effect? April 1, 2004

• Are contracts executed BEFORE April 1, 2004 affected by this Ordinance?

No. Contracts initially executed prior to April 1, 2004, as well as the options for contract extension are not subject to the Ordinance.

• For contracts executed AFTER April 1, 2004, will equal benefits self-certification be required at the time of each amendment for contracts with multiple-year extension options?

No. A one-time self-certification shall remain in effect for the life of the contract. Re-certification is not required at time of contract extension.

How does a contractor verify the existence of a domestic partnership?

Substantial Compliance Authorization Form.

- Many companies and organizations, including King County, simply require employees to sign an affidavit of marriage/domestic partnership. A Contractor may institute an internal Domestic Partnership registry to allow for the provision of equal benefits to employees with Domestic Partners.
- What governmental body maintains a registry of domestic partnerships?
 The City of Seattle maintains a Registry of Domestic Partnership. For more information visit http://www.ci.seattle.wa.us/leg/clerk/dpr.htm.
- How will a contractor certify that it is compliant with the law?
 Contractors will self certify by completing an Equal Benefits Worksheet and Declaration. When appropriate certain contracts may also require other compliance forms and support materials, i.e.
- Does the Contractor need to submit an Equal Benefits Worksheet and Declaration Form for all awarded contracts?
 - Yes. Compliance is contract specific, and is required prior to, and as a condition of all contract executions. Successful contractors shall submit an Equal Benefits Worksheet and Declaration Form.
- If a contractor refuses to sign Equal Benefit forms, or is not in compliance, does this mean they cannot do any business with King County?
 - Yes. The contractor must meet the ordinance requirements or have them waived to execute a Contract costing \$25k or more. If the contractor refuses to complete Equal Benefits (EB) materials as required, does not meet the requirement, or is not eligible for a Waiver, they cannot execute certain contracts.
- Would both the manufacturer and the distributor be covered by this ordinance?
 Separate corporate entities, including parents and subsidiaries of the entity that contracts with the County, are not required to comply. However, contract scope of work, and specification language determines what entity (office) and location that is affected by Equal Benefit requirements.
- Is the employer required to offer coverage to all employees within the company, regardless of whether they directly work on the awarded county contract?
 - The requirements of the Equal Benefits ordinance would include all employees of the awarded entity (office) that holds the written contract, an at all locations where employees are working directly on the contract. When a contractor is unable to end discrimination throughout their organization, the county will need to make a determination on how Equal Benefits will affect the specific contract.
- Will Prime contractors be required to pass the ordinance requirement down to subcontractors of any tier?
 - No. Only the prime contractor or the entity that is awarded and holds the executed contract must comply with the ordinance.
- Are there insurance companies in Washington State that will cover domestic partners?
 - Yes. According to the Washington State Insurance Commissioner's office, domestic partner coverage is available to large employers (over 50 employees) at the contractor's request. The Commissioner's office knows of no insurance carrier operating in Washington State who, as a rule, will not provide such coverage if their customer requested it.

Several insurance carriers are currently reviewing their policy of limiting domestic partner coverage to large groups only. Some carriers have changed their policy and will now underwrite domestic partner coverage for small groups. As this is a rapidly changing area, we suggest contractors contact their insurance carrier(s) to determine what their policies are regarding domestic partner coverage.

 What if a Contractor's benefit provider cannot include domestic partners or the Contractor is unable to extend a particular benefit to domestic partners despite taking all reasonable measures to do so?

The County may authorize a contractor to provide eligible employees with a cash equivalent payment in lieu of benefits that are unavailable due to circumstances outside of the contractor's control. However, if the Contractor can prove that offering a Cash Equivalent payment is not an option, a waiver of those certain requirements may be considered.

- What happens if my Company cannot obtain coverage within the stated timeframe?
 - If the contractor is willing to commit to equal benefits, contracts may be awarded in spite of a delay in implementation. A time delay may be granted by completing a Substantial Compliance Authorization Form, and upon approval, can execute a contract with the county.
- If the company has union employees whose benefit offerings may be limited through collective bargaining agreement, are the requirements of the ordinance waived?

No, however, a Collective Bargaining Delay may be requested by submitting a Substantial Compliance Authorization Form. Upon completing all the steps as outlined on the form, and receiving authorization, a Contractor may be allowed to enter into a contract.

What is required of Contractors that have employee benefits held in Union Trust?

To properly protect the county and the contractor as we move to execution of contracts with trade shops, we ask that the Contractor use their influence as a union due payer to encourage the Union Trust Administrator(s) to continue to consider adding Equal Benefits for Domestic Partners by completing the following steps:

- 1. Send a letter on company letterhead asking union or union trust administrator to open negotiations and to consider adding Equal Benefits [A Sample letter is available from PCSS],
- 2. Completion of the Collective Bargaining Delay portion of the Substantial Compliance Authorization Form; and
- 3. The collection a written response(s) from the Union Trust Administrator.

All of the Union Trust materials should be returned to PCSS to maintain with the contractors records. Collection of forms and letters sent will be accepted to expedite execution of contract, with the understanding that the Contractor will collect the response letters at a later date.

Are there any exceptions or waivers to the Ordinance?

Yes. King County may waive the requirements where any of the following applies:

- 1. The award of a contract or amendment to a contract is necessary in an emergency, as "emergency" is defined in K.C.C. 4.126.050;
- 2. The contract is for a proprietary purchase under K.C.C. 4.16.040;
- 3. There are no contractors capable of responding to the county's requirements that can comply with the provisions of the ordinance;
- 4. The contractor, despite taking all reasonable measures to do so, demonstrates it is unable to extend a particular employee benefit to domestic partners;
 - *Note: to receive this Waiver, the Contractor must complete a Reasonable Measures Waiver Request form and submit it for approval prior to receiving this Waiver.
- 5. The requirements of the ordinance are inconsistent with a grant, subvention or agreement with a public agency;
- 6. The county is purchasing through a cooperative or joint purchasing agreement.

• What happens if a contractor is found to be in violation of the Ordinance?

The contractor may be deemed to be in material breach of the County contract. The County may then impose appropriate sanctions or remedies, or both, including, but not limited to:

- 1. Disqualification of the contractor from bidding on or being awarded a County contract for up to two years;
- 2. Remedies allowable by contract including, but not limited to, liquidated damages and termination of the contract;
- 3. Remedial action as specified by public rule;
- 4. Other appropriate civil remedies and sanctions allowable by law.